
HOUSE BILL 1161

State of Washington 60th Legislature 2007 Regular Session

By Representatives B. Sullivan, Strow, Ericks and Sells

Read first time 01/11/2007. Referred to Committee on Finance.

1 AN ACT Relating to local excise taxation on the sale of real
2 property in lieu of imposing local sales and use taxes; amending RCW
3 82.46.010; creating a new section; and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 82.46.010 and 1994 c 272 s 1 are each amended to read
6 as follows:

7 (1) The legislative authority of any county or city shall identify
8 in the adopted budget the capital projects funded in whole or in part
9 from the proceeds of the tax authorized in this section, and shall
10 indicate that such tax is intended to be in addition to other funds
11 that may be reasonably available for such capital projects.

12 (2) The legislative authority of any county or any city may impose
13 an excise tax on each sale of real property in the unincorporated areas
14 of the county for the county tax and in the corporate limits of the
15 city for the city tax at a rate not exceeding one-quarter of one
16 percent of the selling price. The revenues from this tax shall be used
17 by any city or county with a population of five thousand or less and
18 any city or county that does not plan under RCW 36.70A.040 for any

1 capital purpose identified in a capital improvements plan and local
2 capital improvements, including those listed in RCW 35.43.040.

3 After April 30, 1992, revenues generated from the tax imposed under
4 this subsection in counties over five thousand population and cities
5 over five thousand population that are required or choose to plan under
6 RCW 36.70A.040 shall be used solely for financing capital projects
7 specified in a capital facilities plan element of a comprehensive plan
8 and housing relocation assistance under RCW 59.18.440 and 59.18.450.
9 However, revenues (a) pledged by such counties and cities to debt
10 retirement prior to April 30, 1992, may continue to be used for that
11 purpose until the original debt for which the revenues were pledged is
12 retired, or (b) committed prior to April 30, 1992, by such counties or
13 cities to a project may continue to be used for that purpose until the
14 project is completed.

15 (3) In lieu of imposing the tax authorized in RCW 82.14.030(2), the
16 legislative authority of any county or any city located within a county
17 that does not impose the tax authorized in RCW 82.14.030(2) may impose
18 an additional excise tax on each sale of real property in the
19 unincorporated areas of the county for the county tax and in the
20 corporate limits of the city for the city tax at a rate not exceeding
21 one-half of one percent of the selling price.

22 (4) Taxes imposed under this section shall be collected from
23 persons who are taxable by the state under chapter 82.45 RCW upon the
24 occurrence of any taxable event within the unincorporated areas of the
25 county or within the corporate limits of the city, as the case may be.

26 (5) Taxes imposed under this section shall comply with all
27 applicable rules, regulations, laws, and court decisions regarding real
28 estate excise taxes as imposed by the state under chapter 82.45 RCW.

29 (6) As used in this section, "city" means any city or town and
30 "capital project" means those public works projects of a local
31 government for planning, acquisition, construction, reconstruction,
32 repair, replacement, rehabilitation, or improvement of streets; roads;
33 highways; sidewalks; street and road lighting systems; traffic signals;
34 bridges; domestic water systems; storm and sanitary sewer systems;
35 parks; recreational facilities; law enforcement facilities; fire
36 protection facilities; trails; libraries; administrative and/or
37 judicial facilities; river and/or waterway flood control projects by
38 those jurisdictions that, prior to June 11, 1992, have expended funds

1 derived from the tax authorized by this section for such purposes; and,
2 until December 31, 1995, housing projects for those jurisdictions that,
3 prior to June 11, 1992, have expended or committed to expend funds
4 derived from the tax authorized by this section or the tax authorized
5 by RCW 82.46.035 for such purposes.

6 NEW SECTION. **Sec. 2.** This act does not affect any existing right
7 acquired or liability or obligation incurred under the section amended
8 in this act or under any rule or order adopted under that section, nor
9 does it affect any proceeding instituted under that section.

10 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
11 preservation of the public peace, health, or safety, or support of the
12 state government and its existing public institutions, and takes effect
13 immediately.

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